

Operational Improvement Savings (PN0)

Proposed Savings (\$ in thousands)
(\$10,000)

Overview

In FY 2001, a new Operational Improvements Division (OID) will be created in the Office of the City Administrator to improve operations in agencies and the delivery of services. As a result of achieving operational improvements, OID expects to generate \$10 million in savings.

OID and agencies will be provided with a variety of tools (collectively known as the “toolkit”) to improve government operations. The “toolkit” includes Business Process Reengineering, Employee Stock Option Plans, Public-Private partnerships, Outsourcing/Privatization, Insourcing, and Managed Competition. Additionally, OID will provide training and technical assistance (including activity-based costing information) to agencies and employees. With the innovative “toolkit”, OID expects to achieve its \$10 million savings target by reducing operational costs on an aggregate basis, reducing unit costs of operations, streamlining staffing patterns, and reducing contract costs. OID also expects to increase revenues.

FY 2001 Proposed Operating									
(Dollars in									
Operational Improvement Savings									
Object Class	FY 1999		Budget		Proposed		Variance		
	Unaudited		FY 2000		FY 2001				
Subsidies and Transfers	0		0		-10,000				-10,000
Subtotal for: Nonpersonal Services (NPS)	0		0		-10,000				-10,000
Total Expenditures:	0		0		-10,000				-10,000
Authorized Spending									
by Revenue									
	FTEs	Dollars	FTEs	Dollars	FTEs	Dollars	FTEs	Dollars	
Local	0	0	0	0	0	-10,000	0	-10,000	
Total:	0	0	0	0	0	-10,000	0	-10,000	